

please file
50470036

Temple Mountain Energy Inc.
4526, Ridgeview Drive
Eagan MN 55123.

Cameron Mine Operational Report.

Rec'd 1/22/07

Temple Mountain Energy Asphalt Ridge LLC.
Cameron Mine
8220 south, Highway 45.
Vernal UT 84078.

1. Introduction.

Temple Mountain Energy Inc, acquired the lease to a number of properties along the Asphalt Ridge, Vernal Utah specifically for apply TME's advanced technology for oil extraction from naturally occurring deposits.

The leases where acquired from Asphalt Ridge Inc and along with the acquisition the landowner provided a volumous amount of information about the property. This was generated by various previous occupations and endeavors to produce economically viable oil from the deposit.

2. Previous on site Operation.

Several tests, trials and operations have been carried in the area of the Cameron Mine. The previous operators of the Cameron Mine had formed the pit area that TME AR LLC is currently operating. TME have extended the depth of the pit, however the area itself has not significantly grown as of the date of this report.

TME transferred the mine from an existing operator who reneged on his operational agreement with the landowner. On leaving the site the operator did not reclaim or remove the old equipment or materials that had been in use. TME undertook to tidy and reclaim the impacted areas. During the tidying operations to collect and dispose of the equipment and materials and establish a considered and manageable operational area TME has had to improve some of the access roads to effect these improvements thereby minimizing the overall impact and improvement of the habitat and local vista.

Other previous operators such as SOHIO (Standard Oil of Ohio, now BP Amoco) carried out a vast amount of investigation on the site to establish the extent of the Tar Sands in place. During the SOHIO project several sub-projects were ongoing by operators such as Arizona Fuels and it was during this period in 1954 to 1986 that areas in close proximity to the Cameron mine was disturbed. Large areas of topsoil and overburden has been stripped and there is physical evidence of the deposit being mined and laid back.

An area of approx 50 acres adjacent to the substation overlooking the Cameron mined is evidence of this. An Electrical Transformer, with overhead wires and posts have been installed, along with a PVC underground pipeline which runs from connection points by the Green River approximately 1 mile south of the TME leasehold property. This area as we are now aware also has an installed sewer system, and this was exposed to establish is any pollution risk was left (none was apparent). Also associated water feed pipework was found, although this is abandoned by others.

The position of the transformer station was previous built up during one of the SOHIO related projects on top of a hillside, and filled part of one of the many minor valley's on the property.

An assessment of the impact on these areas in respect of the Habitat, Surface Water, Plant life and Slope Stability is currently being assessed because the areas form part of the large permit application that TME is currently proceeding with.

3. Previous TME Operations.

TME has reclaimed and seeded the area affected by the previous Cameron Mine operator approx 2 acres.

TME has stripped and cleared topsoil from an area adjacent to the original pit to facilitate the future mining area.

TME has carried out the removal of the old equipment and resources on site.

The existing roadways have been improved to permit public access around the mine as well as for site access and egress for the large transportation used to remove the abandoned equipment.

The road way through the wetland has been improved to facilitate the installation of a berm along each side and the replacement of the old decrepit culvert.

Investigation has been carried out to establish the extent of the utilities installed by previous operators.

Research works have been completed to ascertain the viability of the TME process for the application.

4. Current Site Operations.

The site establishment is now ongoing with the installation of a site office, workshop and temporary welfare facilities.

Reclamation of the access roadways and area associated with the removal of old equipment and the County Road Division is ongoing. All of the subsoil works have been carried out, however the top soiling awaits the change of the current snow bound weather conditions.

Reclaiming of the investigation digging at the transformer has been carried out except for the top soiling and seeding due to the current weather condition.

Abandonment of the improved jeep trails has now been carried out due to these roads not being required as part of the mine operation.

Establishment of marked boundary is ongoing to allow for future fencing of the working area.

Establishment of Top Soil and Sub Soil (overburden) stockpiles has been carried out.

Metalling of the mine roads is ongoing to reduce local impact through related traffic on the site

The pilot process is being constructed off site along with the pollution prevention equipment associated with the plant and equipment for the mine.

5. Current Studies and Investigations.

The data provided by the land owner is being reviewed to gain knowledge of previous operations and associated residual risks.

A Conceptual model for the site has been generated and is contained within section 6.

A full operational hydro-geological model along with a Geo-Mine model is being assembled to convey understanding of the mine deposit and its relationship with the surrounding strata.

Baseline investigation has been carried out and a full report is in progress. This will form the basis of the reclamation strategy which will be to return the habitat to an improved status and reduce any associated stress impacts.

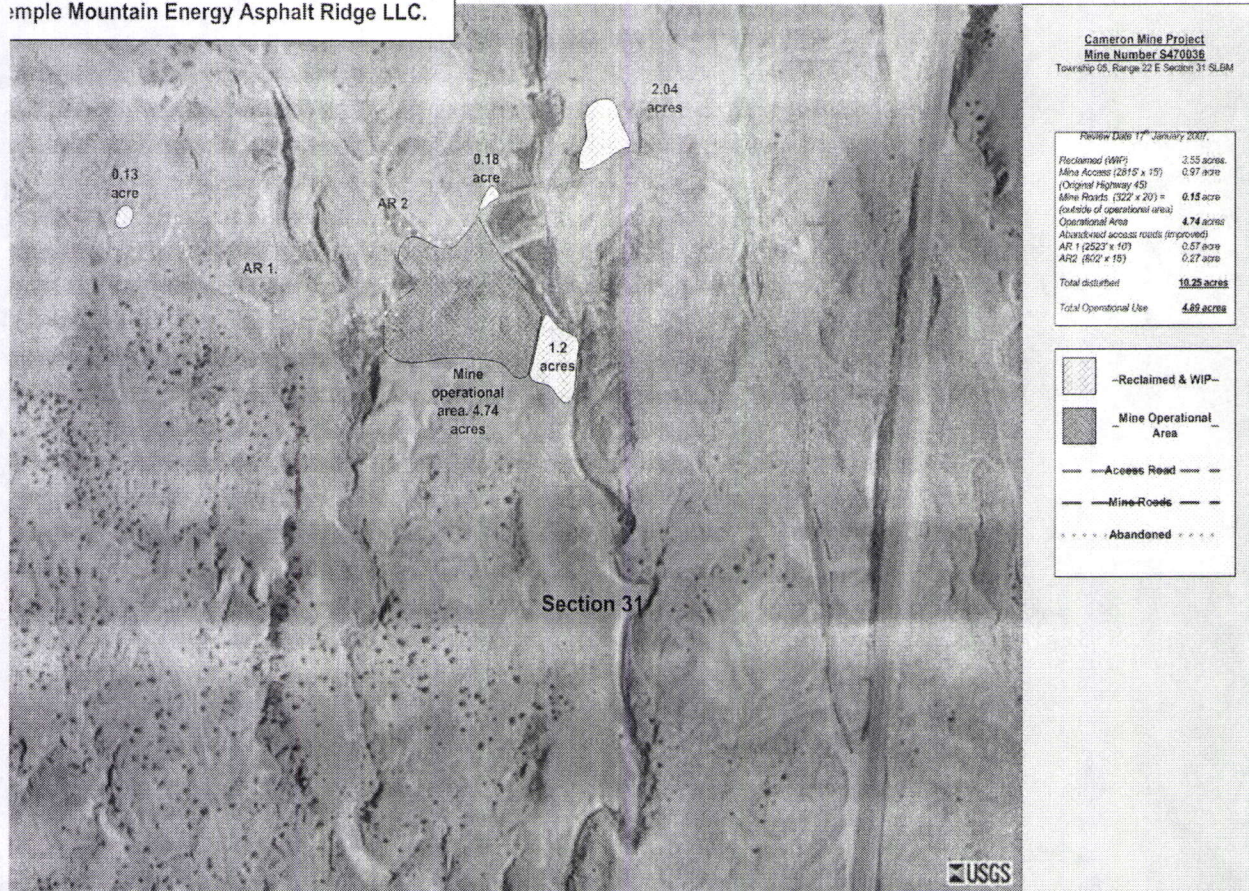
Best Management Practices are being reviewed and developed to meet the requirement of the Asphalt Ridge Environment and the application.

The Process plant design is being reviewed in line with the installation location to adapt the build with the environment.

Additional systems are being built for the management of the mine surface water for inclusion into the process to remove any requirement for discharge to water course.

Mine Drawing.

ample Mountain Energy Asphalt Ridge LLC.



7. Future Goals.

TME wishes to establish itself using new innovative and environmentally friendly processes, systems and management practices as being the most sustainable and considerate Oil producer from sand bound deposits.

To achieve this the aim is to remove negative impacts from emissions from all of the related operations, reduce the energy consumption in our process compared to other oil producers and upgraders and to nominalise the impact on the local natural habitat by the installation of managed enhanced natural resource areas.